

# Department for Children and Families

## Supplement to Budget Testimony SFY'12



*"Today, as always, the department's focus is on fostering self-sufficiency, reducing the number of children living in poverty, building strong families, and developing solid local partnerships." - Dave Yacovone, DCF Commissioner*

<b>Number of Positions:</b>	<b>980</b>
<b>Funding SFY '12</b>	
General Funds	\$98,973,427
Special Fund	\$30,942,201
Tobacco Fund	\$275,000
Interdepartmental Transfers	\$894,499
Global Commitment Funds	\$69,833,685
Federal Funds	<u>\$135,500,728</u>
<b>Total</b>	<b>\$336,419,540</b>

# Table of Contents

<b>The Department for Children and Families (DCF)</b> .....	<b>3</b>
Our Mission, Vision, & Commitments .....	3
Departmental Overview .....	3
Departmental Structure .....	4
Organizational Chart.....	5
Departmental Priorities.....	6
<b>Child Development Division (CDD)</b> .....	<b>9</b>
Opportunities .....	9
Pressures.....	10
Accomplishments.....	11
Data .....	12
<b>Economic Services Division (ESD)</b> .....	<b>13</b>
Opportunities .....	14
Pressures.....	15
Accomplishments.....	18
Data .....	20
<b>Family Services Division (FSD)</b> .....	<b>21</b>
Opportunities .....	22
Pressures.....	22
Accomplishments.....	23
Data .....	24
<b>Office of Child Support (OCS)</b> .....	<b>25</b>
Opportunities .....	26
Pressures.....	26
Accomplishments.....	26
Data .....	27
<b>Office of Disability Determination Services (DDS)</b> .....	<b>29</b>
Opportunities .....	29
Pressures.....	30
Accomplishments.....	31
Data .....	31
<b>Office of Economic Opportunity (OEO)</b> .....	<b>32</b>
Opportunities .....	33
Pressures.....	33
Data .....	34

# **The Department for Children and Families (DCF)**

## **Our Mission, Vision, & Commitments**

**Mission:** The Department for Children and Families fosters the healthy development, safety, well-being, and self-sufficiency of Vermonters.

We are passionate about prevention and will:

- Reduce poverty and homelessness;
- Improve the safety and well-being of children and families;
- Create permanent connections for children and youth; and
- Provide timely and accurate financial supports for children, individuals, and families.

**Vision:** Vermont is a place where people prosper; children and families are safe and have strong, loving connections; and individuals have the opportunity to fully develop their potential.

### **Commitments:**

- To be exceptional collaborators with schools, community partners, businesses, service providers, the justice system, and most of all, those we serve.
- To be open, responsive, and fair in our decision-making.
- To develop highly trained and motivated staff.
- To embrace the four key practices of the Agency of Human Services:
  - Customer Service;
  - Holistic Service;
  - Strength-Based Service; and
  - Results-Oriented Service.

## **Departmental Overview**

The Department for Children and Families (DCF) was created in 2004 as part of a significant reorganization of the Agency of Human Services. Reorganization was designed to bring together the efforts of all human services to serve Vermonters more holistically and help them achieve their greatest potential.

The creation of DCF brought together a wide array of programs that affect the well-being of Vermonters. Each program is driven by significant requirements specified in federal or state law. Vermont has an excellent track record of operating sound programs according to these required standards, which we must continue to meet.

## **Departmental Structure**

The Department is structured around six program divisions, as well as three divisions that support the program divisions and the Commissioner's Office.

The six program divisions are:

***Child Development Division*** - improves the well-being of children by ensuring access to high quality, economically viable child care and child development services. Direct services include regulated early childhood and afterschool programs, early intervention services for at-risk children, resource and referral for families, and parent education and family support services. The Division also provides technical assistance and professional development opportunities to Vermont's early childhood and afterschool workforce.

***Economic Services Division*** - administers programs that provide assistance-to-work services, health care, cash assistance, and food and nutrition benefits and services that help individuals and families meet their basic needs. These programs provide part of a safety net for individuals and families who may be experiencing unemployment, under-employment, family breakup, single parenthood, aging, temporary or permanent disability, the death of a family member, or other life-changing event.

***Family Services Division*** - partners with families and communities to protect children and strengthen families. Every year, Family Services works with thousands of Vermont's most vulnerable children and families. These families are struggling and need help to keep their children safe.

***Office of Child Support*** - improves the economic well-being of children by establishing, collecting, enforcing, and modifying child support orders for children living in divided homes. The Office of Child Support also establishes and enforces medical insurance provisions in court orders, helping to ensure children receive the private health insurance coverage to which they are entitled.

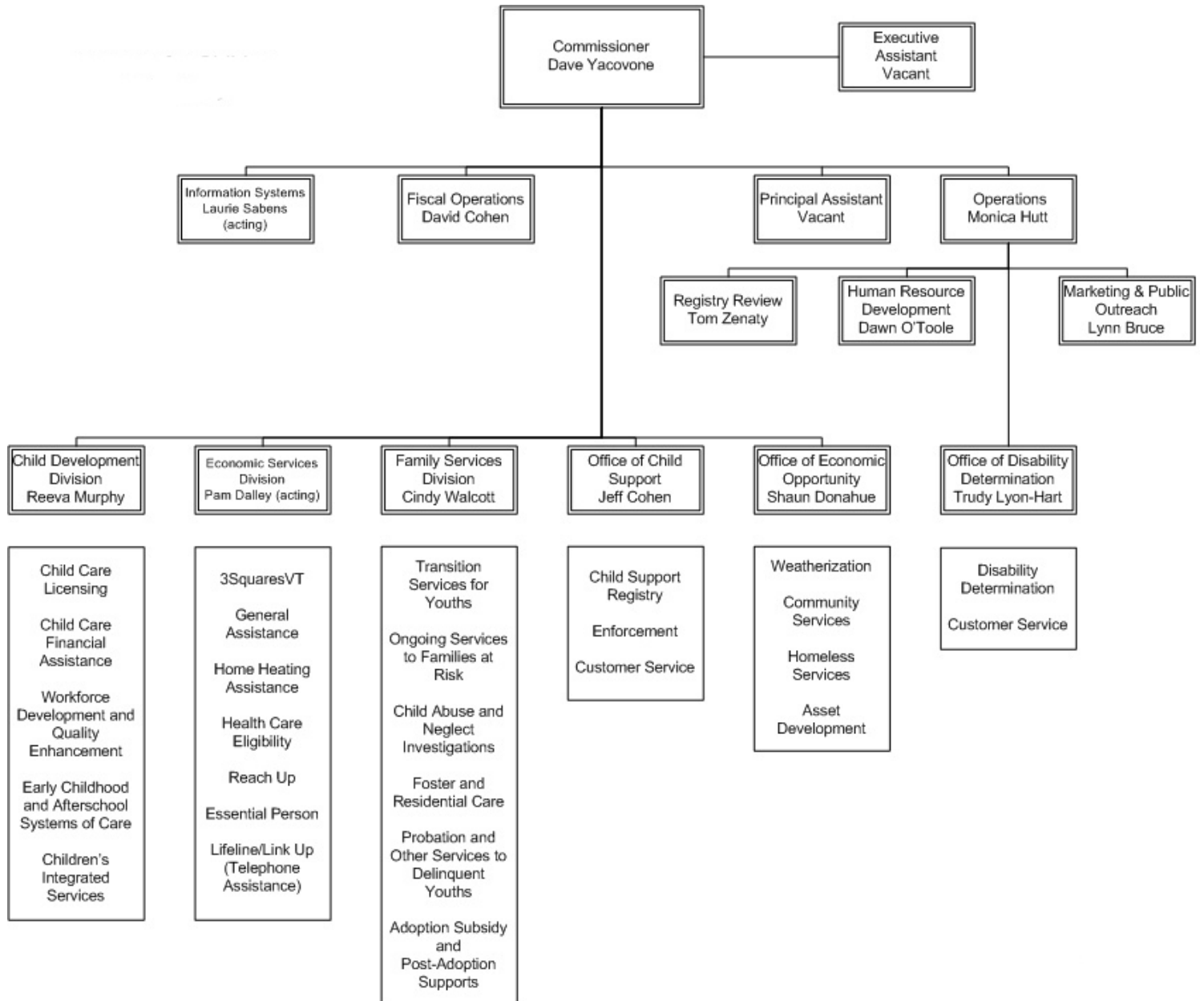
***Office of Disability Determination Services*** - serves Vermonters who apply for disability benefits under three programs: Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), and Medicaid. Its mission is to provide applicants with accurate medical eligibility decisions as quickly as possible.

***Office of Economic Opportunity*** - works in partnership with the private sector, community-based organizations, and other groups to increase the self-sufficiency of Vermonters, strengthen Vermont communities, and eliminate the causes and symptoms of poverty.

The supporting divisions are:

1. Fiscal Operations, which provides accounting and financial support;
2. Information Services, which provides information technology support; and
3. Operations, which provides human resource development, registry review, and public outreach and marketing support.

# Organizational Chart



## **Departmental Priorities**

While each division within the department has its own priorities and areas of focus, we are unified in our passion for reducing poverty, eliminating hunger, supporting Vermont's most vulnerable citizens, strengthening families, and protecting children.

### **Reducing Poverty.**

Vermont has done much to mitigate the hurtful impact of poverty on families:

- Families that earn up to 300 percent of the federal poverty level (FPL) can now get health care for their children;
- Families that earn up to 185 percent of the FPL can now get fuel assistance and 3SquaresVT;
- Vermont's minimum wage is much higher than the federal minimum; and
- We have an aggressive, state-funded earned income tax credit.

Much remains to be done, however, including making sure it pays to work. Too many Vermonters face a choice between working to earn a little extra money and losing important benefits that they and their children rely on. Who among us would intentionally make a choice that hurts our children?

Currently in Vermont, a family of three earning \$17,000 a year will lose essential public benefits when a parent earns just a little more. In fact, losing benefits prevents them from making enough to break even until the family earns \$42,000 a year. This is a chasm that few families can cross. It is time to put an end to the benefits cliff that prohibits pathways out of poverty. It is time to ensure work is an incentive rather than a barrier to economic stability.

To that end, the Department for Children and Families is pursuing a grant through the Urban Institute that will allow the department to assess its current benefits structure and design a plan that will help make sure Vermonters are not penalized for working.

### **Eliminating Hunger.**

The department will lead a statewide effort to eradicate hunger in Vermont. Here's what we know:

- Participation in 3SquaresVT helps reduce food insecurity;
- Nearly 70 percent of eligible seniors are not receiving the 3SquaresVT benefits to which they are entitled; and
- Almost 25 percent of children whose families are eligible for 3SquaresVT are not receiving this nutritional assistance.

We can and will do better! Vermont brings more than \$120 million federal dollars into our economy every year through 3SquaresVT. Our efforts to extend this federally-funded assistance to all eligible Vermonters who want it, will not only help make sure no Vermonter goes hungry, but also help stimulate our economy.

## **Supporting Vermont's Most Vulnerable Citizens.**

We will continue:

- Modernizing our benefits delivery system, making adjustments as necessary to ensure access to public benefits for all our clients. This includes:
  - Reinstating a customer service option in local district offices for those clients who need or prefer in-person assistance; and
  - Improving service to clients with limited English proficiency (LEP).
- Helping low-income families to afford high quality child care through the Child Care Financial Assistance Program.
- Improving the quality of child care programs in Vermont through the STARS Program — Vermont's quality recognition system for child care, preschool, and afterschool programs.
- Improving child support services to help ensure the economic well-being of children who depend on the financial support of both parents.
- Providing high-quality services to disability applicants, finding ways to continue processing disability determinations accurately and quickly — in the face of increasing numbers of applicants, loss of experienced staff, and a Social Security-imposed hiring freeze.
- Spearheading Vermont's efforts to reduce childhood poverty by 50% by 2017.

## **Protecting Children.**

We will continue:

- Focusing on differential response to allegations of child abuse and neglect to ensure timely, appropriate responses to child safety concerns while recognizing the need to minimize state intrusion into the lives of Vermont families.
- Making the prevention of child sexual abuse a priority in 2011. In March of 2009, the Legislature enacted Act One, which called for extensive improvements to the prevention, intervention, treatment, criminal investigation, and prosecution of sexual abuse.

Throughout 2010, DCF organized and implemented various efforts aimed at educating various target audiences about child sexual abuse prevention, including:

- Students;
- School and child care staff;
- Parents and the general public.

These efforts included:

- Educating Children about Sexual Abuse:

Section 3 of Act One requires schools to include developmentally-appropriate instruction about how to recognize and prevent sexual abuse and sexual violence in “comprehensive health education”. It also required the commissioner of education, in consultation with the commissioner for children and families, to convene a working group to provide training and other support related to implementing this requirement to any school district or supervisory union that requests its assistance.

A multi-disciplinary working group — convened by DOE and DCF and led by the Sexual Violence Prevention Task Force — developed the *Sexual Violence Prevention Technical Assistance Resource Guide* (known as the TARG) to help schools meet this requirement. To access the guide, go to <http://education.vermont.gov> and search for “TARG” using the search tool.

- Educating Staff about Sexual Abuse:

Section 9 of Act One requires school boards to ensure adults employed in their schools receive orientation on preventing, identifying, and reporting of child sexual abuse and sexual violence. It also requires the Department of Education and Agency of Human Services to provide materials and support to any school board that requests assistance. Section 10 of Act One also requires licensed child care facilities to provide such orientation to employees & volunteers, based on materials recommended by AHS and DOE.

A working group, led by DCF and DOE staff, partnered with the Canadian Center for Child Protection Inc. to develop a special Vermont edition of their Commit to Kids™ program — a program that helps child-serving organizations create safer environments for children. CDs that included a printable workbook, 30-minute training video, and reproducible forms were sent to all Vermont schools and licensed child care centers in late October of 2010.

- Educating the General Public about Sexual Abuse:

Section 11 of Act One charged AHS with implementing a community outreach plan to raise awareness about the nature and extent of child sexual abuse, in partnership with appropriate groups.

A work group, led by DCF staff, undertook several initiatives in 2010, including:

- Launching a child sexual abuse prevention website ([protectkids.vt.gov](http://protectkids.vt.gov)) on April 6, 2010;
- Creating and disseminating radio & television PSAs; and
- Creating and distributing outreach materials (e.g., a rack card, poster, and parent’s guide to protecting children from sexual abuse).



# Child Development Division (CDD)

*The mission of the Child Development Division is to improve the well-being of Vermont children by ensuring access to high quality, economically viable child development services.*

The Child Development Division (CDD):

- Regulates and monitors child care programs in Vermont, including early childhood and afterschool programs, registered and licensed family child care homes, and certified legally-exempt providers.
- Administers the Child Care Financial Assistance Program, helping low-income families to pay for child care.
- Receives and investigates complaints about child care programs and providers.
- Provides technical assistance to Vermonters who want to start child care programs.
- Coordinates primary prevention and early intervention services for at-risk children and families experiencing significant challenges.
- Supports child care resource and referral services, parent education, and other supports for all Vermont families.
- Provides technical assistance and professional development opportunities to Vermont's early childhood and afterschool workforce.
- Supports the continuous quality improvement of early childhood and afterschool programs through STARS (Vermont STep Ahead Recognition System) and other quality initiatives.
- Supports the building of an integrated system of early childhood services accessible to all young children in Vermont through a public/private partnership called Building Bright Futures.

## Opportunities

**Increasing Child Care Quality.** CDD pays a higher rate of child care financial assistance, on behalf of families, to providers who participate in STARS — Vermont's quality recognition system for child care, preschool, and afterschool programs. This encourages providers to implement continuous quality improvements, expanding access to higher quality child care for every Vermonter.

Participation in STARS indicates a steady improvement in the quality of child care in Vermont, and the number of children in quality programs has increased dramatically over the past few years.

- Approximately 33 percent (2,530 children) of all children receiving child care subsidies are enrolled in STARS-rated programs and 27 percent are in programs with a rating of three or more, out of five possible, stars.
- 53 percent of all licensed programs and 13 percent of all registered family child care homes are now rated between 3 to 5 stars.

## **Pressures**

**The Average Cost Per Child Receiving Financial Assistance.** Vermont invests approximately \$39 million annually to help families pay for child care. In January of 2010, CDD implemented major changes to its Child Care Financial Assistance Program (CCFAP) to increase access to high-quality child care for low-income families in Vermont.

The following adjustments were made to the sliding fee scale that is used to determine eligibility for the CCFAP and benefit amounts:

1. Income limits were adjusted to 200 percent of the 2009 Federal Poverty Level (FPL); and
2. Reimbursement rates paid to regulated providers were increased to be in line with the 2008 Vermont Child Care Market Rate Survey.

As more subsidized children move into higher quality settings, however, the average cost per child in the CCFAP is increasing. And as the economy begins to recover and more parents are able to find and sustain work, we anticipate that our caseload and overall costs will continue increasing.

We continue to explore moving the determination of eligibility for the CCFAP into the department, which has the potential of saving approximately \$440,000 in state general funds.

**Rising Co-pays.** The sliding fee scale determines the amount of benefit each family may receive according to gross family income and family size, ranging from a 100 percent benefit for families at the lowest income level to a 10 percent benefit for families at the highest income level. The gradual decrease in benefit levels as income rises is intended to ease the “benefit cliff” that occurs when a benefit is dramatically reduced due to a change in a family’s circumstance.

Analysis of the available data shows that increasing the reimbursement rates has successfully increased access to child care for families with a benefit level of 50 percent or more. For families with a benefit less than 50 percent, however, paying for child care, especially good quality care, continues to be a challenge. For low-wage workers, having a high co-pay can be a disincentive to work and can seriously limit their choice of providers.

Many families who receive child care subsidies have to pay more in out-of-pocket expenses for early care and education than they can afford—particularly for infant/toddler care—because the cost is still higher than the rates paid by the state. And even though reimbursement rates were raised in 2010, they are not keeping pace with rising provider rates. Also, existing income eligibility guidelines mean that families become ineligible for child care financial assistance before they can afford to pay full tuition. Having to pay the full cost of child care may force some parents to settle for lower quality or unregulated care or to drop out of the workforce.

These issues could be addressed by increasing the subsidy rates and income eligibility guidelines in Vermont’s Child Care Financial Assistance Program (CCFAP) — at a cost that is beyond current identified increases in budget.

**The Supply of Quality Child Care.** 71% of infants, toddlers and preschoolers in Vermont spend substantial amounts of time each week in the care of someone other than their parents, and an estimated 40% of school-age children (5-12 years) spend time each week in after school programs. Many are in early childhood and afterschool programs regulated by CDD. Research tells us that the quality of experiences they encounter during these times has a critical impact on their development, well-being, and success. High quality experiences are developmentally beneficial, while mediocre or poor quality experiences can actually impede development and cause harm.

The real costs of quality services exceed the ability of most parents to pay – even those with state assistance. Child care providers subsidize costs with low wages and strive to improve and maintain quality with inadequate resources. These challenges limit the supply of high quality child care available to all Vermont families.

CDD invests more than \$3.5 million annually into quality incentives and supports. This leverages a range of private, philanthropic, and business investments toward the same end but progress is slow. Sixty percent of all regulated child care slots in Vermont are still in programs that are not yet participating in STARS. Increasing public investments in quality incentives and supports could help increase the supply of high quality early education and afterschool services in Vermont.

## **Accomplishments**

**Supporting Families through Children’s Integrated Services (CIS).** This program provides a continuum of primary prevention and early intervention services for pregnant and postpartum women; children from birth to age six; and families experiencing significant challenges. Services include outreach to communities and families; identification and referral of children and families who may benefit from services; assessment, evaluation and individualized child and family outcomes planning; and the delivery of therapeutic and transition services.

Services are delivered using a holistic approach — with a team structure, a single treatment plan, and a primary intervention model. Each Agency of Human Services (AHS) region is currently involved in planning for, or implementing, this integrated services model with a broad range of partners and stakeholders particular to their regions. In November 2010, Lamoille, Rutland and Franklin/Grand Isle became the first three regions to implement full integration, becoming pilot projects and models for the other regions.

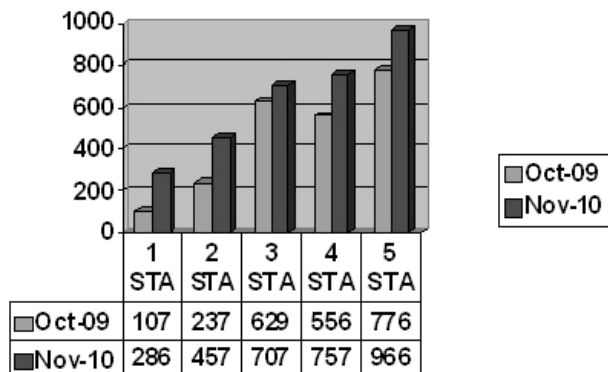
CIS staff, including CDD staff in Waterbury and coordinators from each region across the state, have created an intentional shared learning community to identify best practice, assess data, and discuss how the integration is working and how it can best be implemented statewide.

**Greening CDD.** CDD went green in 2010. We are now conducting business with the provider community almost entirely online. Over 98% of the 1,664 regulated child care providers are now registered *e-providers*. This has significantly decreased paper use and improved customer service.

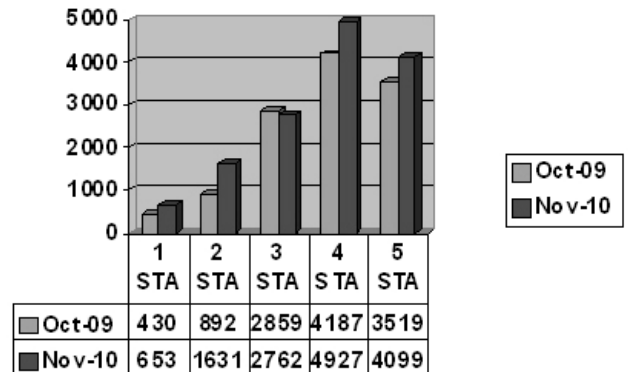
## Data

- The regulated child care system serves approximately 35,359 children ages 6 weeks to 13 years.
- There are currently 690 licensed early childhood programs, 974 registered homes, and 936 CDD approved legally-exempt child care providers.
- The Licensing Unit conducted 70,000 criminal records and child/adult abuse registry checks.
- Child care services for approximately 7,500 – 8,000 children were subsidized through the Child Care Financial Assistance Program (CCFAP).
- Over 2,000 children received CIS Early Intervention Services.
- Approximately 3,800 pregnant women and children up to age 6 received CIS Nursing and Family Support Services.
- Over 860 children and their families received direct services and counseling through CIS Early Childhood and Family Mental Health. Child care programs also received education and consultation services related to social/emotional development and behavior regulation.

**CC FAP Assisted Children by Provider STARS rating**



**Regulated CC Capacity by STARS level**



## Economic Services Division (ESD)

*The mission of the Economic Services Division is to help Vermonters find a path to a better life. To that end, we administer state and federal programs that help individuals and families meet their basic needs. These programs provide a safety net for individuals and families who may be experiencing family breakup, unemployment, underemployment, single parenthood, aging, disability, the death of a family member, or other life-changing event.*

The Economic Services Division:

- **Helps Vermonters to stay healthy** – About 185,000 Vermonters participate in the broad array of Green Mountain Care programs, which include Dr. Dynasaur, Medicaid, and VHAP.
- **Helps put food on the table and improve nutrition** – 3SquaresVT benefits, which are 100 percent federally funded, provide direct food assistance to over 89,000 people — reaching more than 1 out of every 7 Vermonters. The Emergency Food Assistance and School Commodities Programs help ensure additional food support for needy individuals and school-aged children.
- **Helps families go to work** - Reach Up's cash assistance, support services, and intensive case management provides 5,800 Vermont families with the skills and incentives they need to find meaningful work and get off assistance. Most Reach Up families also receive Medicaid, 3SquaresVT, and Office of Child Support services.
- **Helps parents attain higher education** - Vermont's Postsecondary Education Program, like Reach Up, provides financial assistance and case management to about 200 parents who are pursuing a two- or four-year college education.
- **Keeps Vermonters warm** – 26,313 families received seasonal home heating assistance and another 6,228 received crisis fuel assistance during the 2009/2010 winter season. A total of \$2.5 M has been committed for crisis fuel grants to help over 7,000 households during the 2010/2011 winter season.
- **Helps individuals meet their basic needs** – Over 15,000 people who are aged, blind, or disabled and have very low incomes receive this cash supplement to the federal Supplemental Security Income benefit (SSI).
- **Helps aged, blind, or disabled people stay in their homes** - About 200 people receive help to meet their expenses for live-in attendant care through the Essential Person Program.
- **Provides emergency assistance** - Each month approximately 1,700 Vermont households receive help through the General/Emergency Assistance Programs (e.g., help with temporary housing, prescription drugs, burial costs, and other urgent needs).
- **Helps Vermonters maintain telephone service** – 29,000 Vermonters with limited incomes signed up for Lifeline/Link Up phone assistance.

## **Opportunities**

**Modernizing ESD.** ESD will continue modernizing the administration of its public benefits programs and updating its eligibility business processes—taking advantage of state-of-the-art technologies and national best practices—to boost productivity, enhance client service, increase access to benefits, and improve staff satisfaction.

To date, ESD has implemented an electronic document management system; a web-based client interface; and telephone-based services, including an interactive voice response system and a client service center. We are in the process of implementing a workflow tool to coordinate specialization of the eligibility business process.

**Increasing Participation in 3SquaresVT Among Eligible Vermonters.** DCF and its partners have worked collaboratively to expand eligibility and simplify the administration of 3SquaresVT. As a result, participation increased to 89,316 individual Vermonters by the end of November 2010.

Still, many vulnerable Vermonters who are eligible for 3SquaresVT—nearly 70 percent of eligible seniors and almost 25 percent of eligible children—are not receiving this benefit.

ESD will be working with advocates and partners to develop innovative outreach methods to increase participation by all eligible Vermonters, but especially seniors and families with children. Boosting participation in 3SquaresVT will help reduce hunger in Vermont and help stimulate the state's economy—generating \$1.84 in financial benefits for every \$1 spent.

A study recently released by the Economic Research Service (ERS) of the United States Department of Agriculture (USDA) shows some distressing indicators for Vermont in terms of the number of families that are unable to access adequate quantities of nourishing food to sustain them each month.

- *Household Food Security in the United States (2009)*, released in November 2010, shows that the average number of Vermont households living with the most severe food shortage ("very low food security") was 6 percent in 2007–2009, up from the average of 5.7 percent in 2006–2008. This means that from 2007–2009, nearly 18,750 Vermont families did not always know where their next meal was coming from, and they likely did not have enough to eat at their last meal. The study ranks Vermont as the ninth hungriest state in the nation.

**Recouping State-Funded Reach Up Grants from Retroactive SSI Payments.** The Social Security Administration (SSA) reimburses the federal government for federally-funded Reach Up grants made to families who receive retroactive SSI payments for the same period. Reimbursements are deducted from retroactive payments before they are sent to families.

The department is seeking authority to do the same for state-funded Reach Up grants. We already have a contract in place with the SSA to get reimbursed for state-funded assistance made to individuals who get retroactive SSI payments for the same period.

## **Pressures**

**Caseload Increases/Backlog.** From 2009 to 2010, participation in:

- Reach Up went up by 10 percent;
- 3SquaresVT went up by 25 percent; and
- Green Mountain Care programs went up by 5 percent.

Position reductions in ESD, targeted to reduce state budget deficits, exceeded sustainable levels given the increase in caseloads. This led to a serious backlog of eligibility cases in the last five to six months of 2010. Twenty new positions were authorized in early January of 2011 to help ESD meet the additional demands of increasing caseloads. These new positions are continued in the FY'12 budget.

ESD has been working hard to clear up the backlog. We assigned 29 employees over a three-week period to process 2,489 overdue eligibility cases. Of these, 1,049 were granted; 716 were denied; 514 are awaiting verification; 76 are awaiting face-to-face appointments; 108 are Long-Term-Care applications and will take more time to process, and 26 are awaiting disability determinations. Of the 514 cases that are awaiting verification, most will have decisions in the next two weeks.

**General Assistance (GA)/Emergency Assistance (EA).** GA and EA help eligible individuals and families meet basic emergency needs (e.g., temporary housing, utilities, food, and personal needs items). GA is funded from General Funds and EA from the federal TANF block grant. Traditionally, large portions of these funds are used for meeting housing needs.

An influx of ARRA housing funds allowed local community agencies to help homeless, or at-risk-of-being homeless, individuals and families to get or maintain housing. This funding goes away in SFY'12. We are seeking approximately \$1.7 million in state general funds to replace the ARRA funds and continue this important homelessness prevention work.

ESD continues to shoulder the burden of providing temporary housing until permanent housing can be found. In an effort to control costs, ESD partners with local housing coalitions to address housing crises, as the cost of putting people in apartments is about half the cost of putting them in motels.

In FY11, ESD partnered with local Community Action Agencies and dental providers to provide a front-door for GA/EA services, improving access for clients while freeing up eligibility staff to meet the increased demand in other ESD programs. We are seeking approximately \$495,000 in state general funds in SFY'12 to allow the Community Action Agencies to continue providing these critical services.

ESD also joined with Voc Rehab to address the large number of regular GA recipients. Previously, Voc Rehab only assisted those applying for SSI or SSDI. Beginning in FY11, however, Voc Rehab began serving all individuals eligible for GA as a result of employment barriers. In their work with this population, they will provide re-employment services as well as help applying for SSI/SSDI.

**3SquaresVT Performance Indicators.** Participation in 3SquaresVT has increased steadily over the last few years and managing this increased caseload has been challenging. As a result, both our payment error rate and negative error rate — two indicators used by the Food & Nutrition Service of the USDA to measure performance — have increased.

1. The *Payment Error Rate* indicates the percentage of total recipients who did not receive the correct amount of benefits. At the end of August of 2010, Vermont's state-reported payment error rate was 6.26%, and we ranked 50<sup>th</sup> out of 53 states for payment accuracy.
2. The *Negative Error Rate* indicates the percentage of total cases that were incorrectly denied, suspended, or terminated. At the end of August 2010, Vermont's state-reported negative error rate was 18.89% and we were ranked 51st out of 53 states for accuracy in this category.

While this is a significant pressure, it is also an opportunity. If we can significantly improve the above measures, which we believe we can, we stand a good chance of earning performance bonuses from the USDA for “most improved” in these categories.

**Federal Health Care Reform (Affordable Care Act).** ESD will be closely involved in planning for, and implementing changes to, eligibility processing requirements and other substantive changes brought about by federal health care reform. This will put increasing demands and pressures on staff. Additionally, ESD is involved in an agency-wide project, called VIEWS, to replace the legacy system currently used to determine eligibility for the economic benefit programs we administer. To meet the demands of the new health care exchange, we will likely need to have the new health care eligibility system in place, putting an additional burden on staff. Changes in health care at the state level may also require changes.

**Ongoing federal health care mandates.** CMS issues periodic program changes or enhancements that require analysis and development of new procedures or rules by the division's health care eligibility staff responsible for program integrity. These projects also require working closely with system developers to program the existing archaic computer eligibility system to incorporate federal and state program changes. Federal mandates and caseload growth continue to require significant additional human and fiscal resources to deliver health care eligibility determinations and to develop and manage the computer systems required to support this function.

Health care eligibility staff continue to work through the myriad implementation challenges of recent federal mandates, including congressional mandates imposed in 2009. The following congressional mandates must still be implemented or the agency risks losing federal funding for part, or all, of its Medicaid program:

- Citizenship and identity requirement changes;
- Categorical eligibility for newborns;
- Premium grace period; and
- Asset verification system (AVS) for liquid assets.



**Long-Term Care (LTC) Medicaid Administration.** Legal analysis of federal rules and estate planning vehicles has yielded program savings through increased cost sharing by individuals or estate recovery receipts; however, new estate planning techniques continue to emerge that need to be addressed. Furthermore, data collection, analysis, and reporting capabilities have to be developed to better monitor outcomes and assure quality. As Vermont's population ages and application numbers increase, so do pressures on the eligibility workforce charged with handling them.

**Reach Up Challenges.** Reach Up continues to face numerous challenges, including:

- Although the Reach Up appropriation has increased over the past few years, it has not kept pace with the increased cost of benefits and rising caseloads. This has resulted in the reallocation of resources and reductions in staff and support services. Efforts to maximize available resources are ongoing as are program improvement efforts to mitigate the impact of diminished resources.
- Vermont continues to struggle with work verification and documentation requirements that came into effect October 1, 2007. The lack of a web-based data collection system makes the collection and reporting of this data a burdensome, labor-intensive paper process.
- As of October 1, 2010, refugee families eligible for Temporary Aid for Needy Families (TANF) receive cash assistance, support services and case management through Reach Up. Prior to October 1, 2010, the Federal Office of Refugee Resettlement reimbursed Vermont for 40 percent of the costs for TANF-eligible refugees. As of October 1, 2010, Reach Up will assume 100 percent of the costs for TANF-eligible refugees due to federal changes.
- The federal work participation rates require 50 percent of all families and 90 percent of two-parent families receiving TANF cash assistance to meet their work requirements. Due in part to changes in the caseload reduction methodology the Administration for Children and Families (ACF) used to calculate the work participation rates for FFY '07 and FFY'08, Vermont met both work participation rates.

The Deficit Reduction Act of 2005 changed the base year for calculating the caseload reduction credit from 1995 to 2005. Vermont's caseload reduction credit, based on actual caseload decline, was almost eliminated by the change in the base year. However, states may gain additional caseload reduction credit by spending state funds above the base requirement for their TANF program. This factor helped us to meet the FFY' 07 and FFY'08 rates.

ACF has not yet informed states about the methodology it intends to use to calculate the rates for FFY '09 and FFY '10. Depending on the methodology ACF uses to calculate these rates, it remains questionable whether Vermont will meet its two-parent rate. Failure to do so may result in significant fiscal penalties.

**Serving Vermont's LEP Population (Limited English Proficiency).** According to the American Community Survey of 2009, about 8,230 people in Vermont, or 1.4 percent of the population, speak English less than “very well”. This population of people with Limited English Proficiency (LEP) represents distinct challenges to our department, especially to the Economic Services Division. Title VI of the Civil Rights Act of 1964 is the Federal law that protects individuals from discrimination on the basis of their race, color, or national origin in all programs that receive Federal Financial Assistance. All entities that receive any Federal funding, either directly or indirectly through a sub-grant or sub-contract, are obligated to comply with Title VI. The U.S. Office for Civil Rights has interpreted Title VI to require all recipients of federal funds to consider:

- Offering interpretation/translation services at no cost to LEP clients.
- Identifying the language needs of prospective recipients at the earliest possible opportunity.
- Having a system for tracking LEP clients and client needs.

We are currently looking at ways we can better serve the LEP population in Vermont. At the same time, we recognize that providing interpretation services and vital documents in languages other than English represents a significant cost — in both staff time and money. Given limited resources, this requirement needs to be balanced with other requirements and priorities.

## **Accomplishments**

**3SquaresVT.** ESD maintained its successful working partnerships with Community Action Agencies, Area Agencies on Aging, homeless shelters, and Hunger Free Vermont (formerly called *The Vermont Campaign to End Childhood Hunger*) to carry out its annual program outreach initiatives. These partnerships have contributed to a steady increase in the number of Vermonters receiving benefits. In September 2010, ESD received a high performance bonus of nearly \$376,000 from the USDA for the best and most improved program access rate.

**Health Care.** Over the past five years, health care programs have expanded with higher income limits and new initiatives (e.g., premium assistance for Catamount Health and employer-sponsored insurance). A state health care program now covers more than 20 percent of Vermonters.

While participation in state health care programs increased by 8 percent over the past year, staffing levels have been reduced. Despite the combined pressures of losing positions, higher caseloads, and increasing program demands, ESD's Medicaid Error Rate remains within CMS' error tolerance. With those issues in mind, health care staff have implemented numerous improvements over the past year:

1. The Long-Term Care Program developed a new training that was presented to approximately 100 community partners.
2. The health care staff have been involved with the analysis and planning for mandates under new Federal Health Care Reform. Particular attention has been given to planning for the new Health Insurance Exchange, which must be implemented by January 2014.

**Reach Up.** The American Recovery and Reinvestment Act (ARRA) appropriated federal Temporary Assistance for Needy Families (TANF) funds to help states with their increasing TANF expenditures. These funds were available as reimbursement for qualifying expenditures in three specified areas:

1. Non-recurring, short-term needs;
2. Subsidized employment; and
3. Basic needs.

Reimbursement was limited to 80 percent of the difference between the state's current expenditure and the amount it spent for the same type of expenditure in the base year (either FFY 2007 or 2008, whichever the federal agency determined to be more beneficial to the state).

With the encouragement of the Administration and the General Assembly, ESD made every attempt to maximize the TANF-ARRA funds coming into Vermont. As only 80 percent of the expenditure is reimbursed, ESD worked hard to find federally-approved in-kind donations from community organizations to make up the unreimbursed 20 percent; their in-kind donations combined with eligible state expenditures permitted the state to recover its entire expenditure.

In the end, Vermont drew down TANF-ARRA reimbursement in all three allowable areas. Some was due to increased expenditures related to rising caseloads and increased demand for basic assistance in Reach Up and Reach Ahead; some was due to increased demand for non-recurrent short-term expenditures in the Reach First and Emergency Assistance programs. In addition to the expenditures due to increases in existing programs, the state partnered with community organizations to provide much needed short-term benefits to Vermont families at no increased cost to the state.

First, Vermont expanded the subsidized employment component in its Reach Up program. In accordance with federal guidance, Vermont was able to claim an amount equivalent to a percentage of the wages paid as TANF Maintenance of Effort (MOE). This amount was treated as an in-kind donation by the employers for accepting Reach Up participants into, and supporting them in, their work places. As a result, Vermont received almost full reimbursement for this program.

Similarly, with the help of the Vermont Foodbank and the Vermont Community Foundation (VCF), Vermont was fully reimbursed for providing two benefits to food insecure families with children:

1. Access to high nutrition foods, was provided through the food shelves network to families for a short duration.
2. The other benefit went out on the state's electronic benefit transfer card to low-income families giving them extra dollars to purchase food items during the economic stress period when children return to school in September. Vermont was able to provide this benefit to 29,824 families.

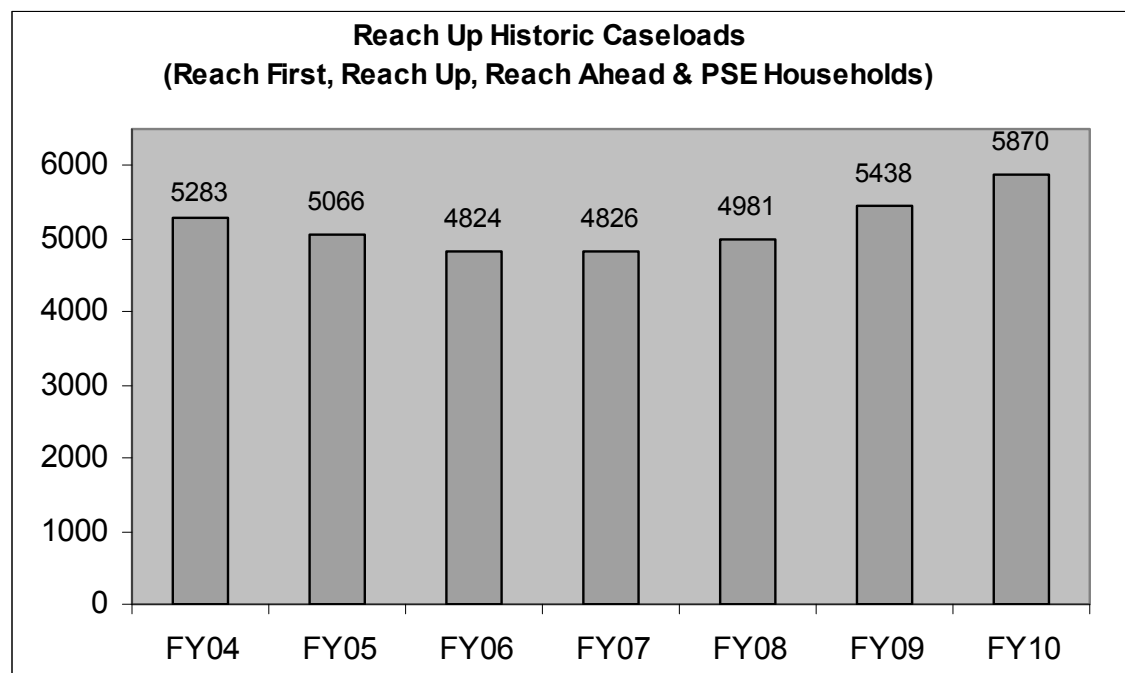
## Data

### Caseload Trends for ESD Programs

Average monthly numbers of individuals (unless indicated otherwise) –  
Duplicated count across programs

	2006	2007	2008	2009	2010	Budgeted for 2011	Governor's Recommend
Medicaid	145,470	142,252	146,717	158,919	169,678	177,763	NA*
AABD	13,304	13,632	14,028	14,422	14,836	15,325	15,531
Reach Up	11,948	11,965	12,193	13,313	14,676	15,189	15,375
GA/EA (grants issued)	2,520	3,221	2,942	3,515	3,208	NA	NA
3SquaresVT	38,584	41,229	45,905	56,593	72,299	79,322	NA
3SquaresVT cash out	8,039	8,313	8,752	9,913	11,629	12,742	13,379
Fuel (households)	20,454	21,088	21,680	26,313	27,837	36,000	46,000

\* Medicaid caseload numbers are contained in the Department of Vermont Health Access' budget document.



# Family Services Division (FSD)

*The mission of the Family Services Division is to protect children and strengthen families, in partnership with families and communities.*

The Family Services Division works to:

- **Keep children safe from abuse.** In 2010, FSD received over 15,000 calls regarding suspected child abuse—from mandated reporters and other concerned community members. Specialized social work staff initiated 4,599 child abuse investigations and assessments.

At the end of September 2010, there were 965 children in DCF custody. A police officer may take a child into DCF custody for one of the following reasons:

- The child is abused or neglected;
  - The child is truant from school;
  - The child is beyond or without parental control; or
  - The child is delinquent.
- **Provide ongoing services to families at risk.** On December 31, 2010, nearly 500 families were receiving ongoing services to mitigate the risk of future child abuse or neglect. Deciding whether to provide ongoing services to a family is based on a validated risk assessment.
  - **Support youth who are transitioning from foster care to independent living.** FSD is currently providing foster care services to 46 young adults who are completing their high school education, and a variety of foster care, independent living and other supports for 165 young adults who are pursuing post-secondary education or training. In partnership with the Vermont Student Assistance Corporation, FSD supports post-secondary education for 122 students.
  - **Ensure youth are free from criminal behavior.** Social workers supervise youth on juvenile probation using principles of balanced and restorative justice. Youth may enter DCF custody because of their treatment needs and/or community safety concerns. About 202 youth are currently on probation.
  - **Create permanent connections for children and youth.** FSD focuses on making sure all children and youth in DCF custody have permanent homes in which to grow up—preferably, with their own parents. If that is not possible, adoption is the second choice. Long-term foster care is not considered an acceptable plan for a child. About 50 percent of children return to live with a parent or relative. About 21 percent of children exit to adoption.
  - **Provide post-adoption assistance and services to children with special needs.** Children in DCF custody who have special needs may be eligible for financial assistance to make adoption possible (e.g., reimbursement of one-time adoption expenses, medical benefits, monthly payments, and the payment of special services). Over 1,700 children currently receive adoption assistance and 350 children receive post-adoption services through the Vermont Adoption Consortium.

## **Opportunities**

- The Family Services Division successfully competed for a federal grant, which will be administered through the University of Southern Maine. The grant will provide resources and support to deepen our family engagement practices. Two contracted staff have been hired: one to focus on alignment of policy with practice and the other to focus on data and outcomes. The entire project also focuses on increasing stakeholder involvement in system change.
- The Family Services Division continues to work toward 1) shifting the primary role of the Woodside Juvenile Rehabilitation Center from “secured detention” to the “medical treatment of youth” and 2) having Woodside recognized as a Medicaid-eligible provider. By transforming Woodside to a Medicaid-eligible treatment provider, the State will realize savings of approximately \$1 million in state general funds in SFY’12.

## **Pressures**

**Caseload Pressures.** In April 2007, Vermont went through a federal Child and Family Services Review that determined the level of contact social workers have with the children and families we serve to be “unacceptable”; and required Vermont to enter into a program improvement plan to address this and other issues.

During the 2008 legislative session, in response to these and other concerns, the general assembly passed H.635, An Act Related to the Reporting of Child Abuse and Neglect, which said in part: *The department for children and families shall develop policies for implementing social worker caseload assignments which identify a target of one worker per 12 families and that are consistent with national standards, best practices, and the department’s transformation plan.*

In early 2009, social workers were carrying caseloads of 13.6 families per worker. By spring of 2010, however, caseloads had risen to 19.3 families per worker. The Family Services Division was given permission to add 18 social worker positions in 2010. Twelve of these positions have already been filled, while the remaining six are scheduled to be filled in early 2011.

Once we have hired the additional six social workers, the resulting caseloads will be 15.4 families per worker. While this is still above what we believe to be reasonable, it will go a long way toward relieving workload pressures.

Additional Pressures:

- Act One (An Act Relating to Improving Vermont’s Sexual Abuse Response System) included a new provision that requires Vermont schools to request child protection registry checks from DCF. As a result, we are experiencing a substantial increase in the number of registry checks requested. In 2010, we processed 36,690 checks using AHS’s new online subscription service. DCF has never been staffed or resourced to conduct these checks, which require significant central office staff time.

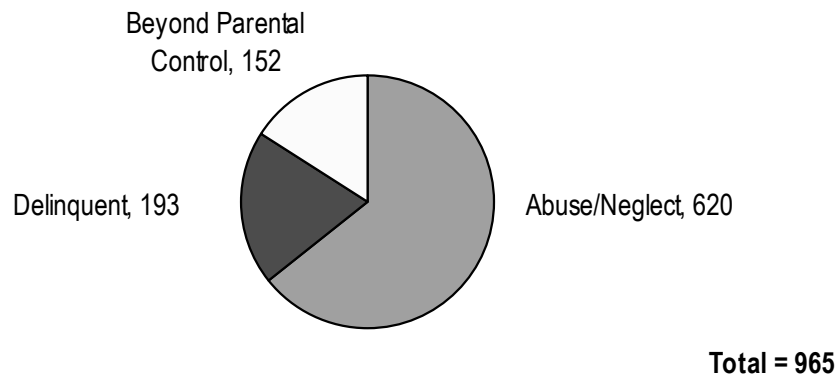
- The Agency of Human Services continues negotiations with the federal Centers for Medicare and Medicaid Services (CMS) around the use of Medicaid-funded Targeted Case Management (TCM) to serve our clients. Clearly, CMS is looking to restrict use of this funding source. If successful, we will have to significantly decrease our use of TCM, which will cause general fund pressures.
- Currently, we provide adoption assistance to over 1,700 adopted children who have special needs. These children who are often adopted at an older age continue to need supportive services after adoption. Level or reduced funding of post-adoption services for many years is problematic.
- Due process requirements for persons whose names will be placed on the Child Protection Registry (Act 77, 2007) have been fully implemented. No appropriation was made to support the cost of the independent reviewers required by the act. The division is currently using federal child abuse funding, which will run out part way through FY '11. We have asked for an appropriation for FY '12.
- Our automated systems are antiquated. We do not have ready access to data to inform decision making, nor do we have a case management system to support the efficient documentation of casework services.

## **Accomplishments**

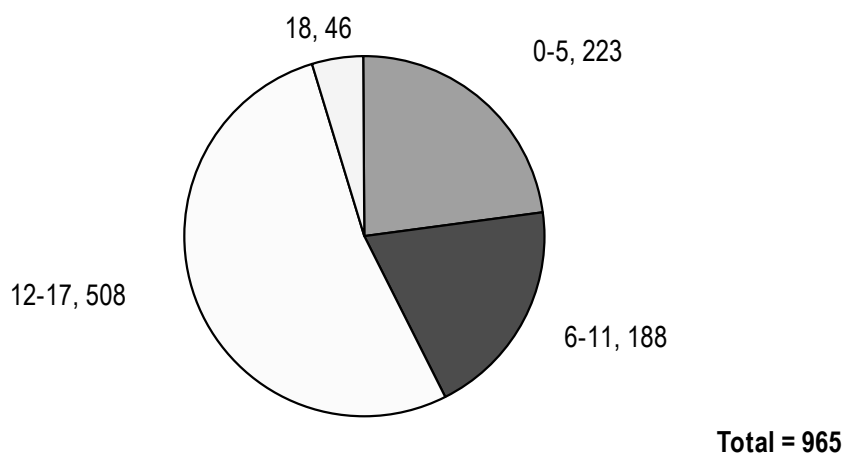
- Our federal Child and Family Services Review, concluded in April 2007, highlighted considerable challenges for our system. Our Program Improvement Plan, approved in October 2007, was completed in September 2010 with success. The federal government will continue to look at our outcomes during FFY '11 before determining our success. At this point, we do not anticipate financial sanctions.
- In 2009, two significant pieces of legislation went into effect. Together, they have substantially affected our practice in child welfare and juvenile justice:
  - The Vermont Juvenile Judicial Proceedings Act of 2008 comprehensively updated and revised the juvenile code for the first time since 1967. The Act went into effect on January 1, 2009. Implementation has gone fairly smoothly. Unfortunately, both DCF and the courts have aging data systems that cannot track good data on the outcomes under the new act.
  - Act 168 Relating to Reports of Child Abuse or Neglect (2008) gave DCF the authority and responsibility to implement a differential response to child abuse and neglect. Effective July 1, 2009, the division may choose between a traditional investigative response and an assessment response. The assessment response, used for less severe cases, focuses on barriers to safe and effective parenting and does not require a substantiation decision. Staff have worked hard to gain the necessary new skills to successfully implement the differential response model.
- In partnership with the University of Vermont Social Work Department, Family Services has continued to focus on a new social work practice framework that emphasizes family engagement strategies and focuses on minimizing risk and increasing protective factors. Workers have been very responsive to training offered on these topics.

## Data

### Children in DCF Care - 9/30/2010



### Ages of Children in DCF Care - 9/30/2010





# Office of Child Support (OCS)

*The Vermont Office of Child Support works to improve children's economic security by establishing parentage, establishing medical and child support obligations, and ensuring obligations are met.*

Programs/services include:

- Establishing, modifying, or enforcing Vermont child support orders;
- Establishing and enforcing medical support orders;
- Collecting, processing, and distributing child support payments to custodial parents;
- Helping to enforce or change another state's support order;
- Locating non-custodial parents;
- Establishing parentage if the parents were not married when their children were born; and
- Safeguarding identifying information about the child and parent in cases involving family violence.

## **In SFY'10, the Office of Child Support:**

- Collected on 74 percent of its cases;
- Collected \$55.2 million in child support;
- Handled over 21,500 cases;
- Scheduled over 10,900 court appearances by legal staff;
- Entered over 5,300 court orders on the computer system;
- Handled over 600 cases per child support specialist;
- Processed almost 500,000 payment transactions;
- Had over 237,000 calls to the voice response unit; and
- Answered over 54,000 calls to our Customer Service Unit.

## **Opportunities**

**Conducting Business with Less.** OCS, which manages the child support program under Title IV-D of the Social Security Act, is attempting to support the increasing financial needs of our customers with fewer employees and financial resources. In 2008, OCS embarked on a Business Process Improvement (BPI) initiative by working with a BPI professional to carefully scrutinize several operational processes. OCS understands that improving internal processes can lead to efficiencies that would help offset diminished resources.

In SFY'10, OCS received federal ARRA funds specifically for the purpose of improving the child support program. Using the funding, coupled with the planning performed from the business process initiative, OCS is currently working on a project to improving the financial processing system for child support. The project focuses on:

- Providing the capability to reconcile child support collections in the ACCESS Mainframe system to VISION;
- Improving the processing of payments by automating more of the process of payment allocation;
- Adding functionality to the ACCESS Mainframe system to automatically compute and assess surcharges on child support arrears;
- Improving the process of preparing case accountings on cases; and
- Enhancing the OCS Data Warehouse to improve functionality and reduce maintenance costs.

## **Pressures**

**Reduction in IV-D Performance Incentive Funding.** The ability to receive IV-D FFP for performance incentive funding was eliminated under the Deficit Reduction Act of 2005. In addition, as other states' improve their performance, the share of the incentive funding pool available to Vermont has been slowly decreasing each year. The result is that a greater share of state general fund dollars is necessary to support OCS' budget, from approximately \$1.3M in SFY 05 to \$2.5M in SFY 11.

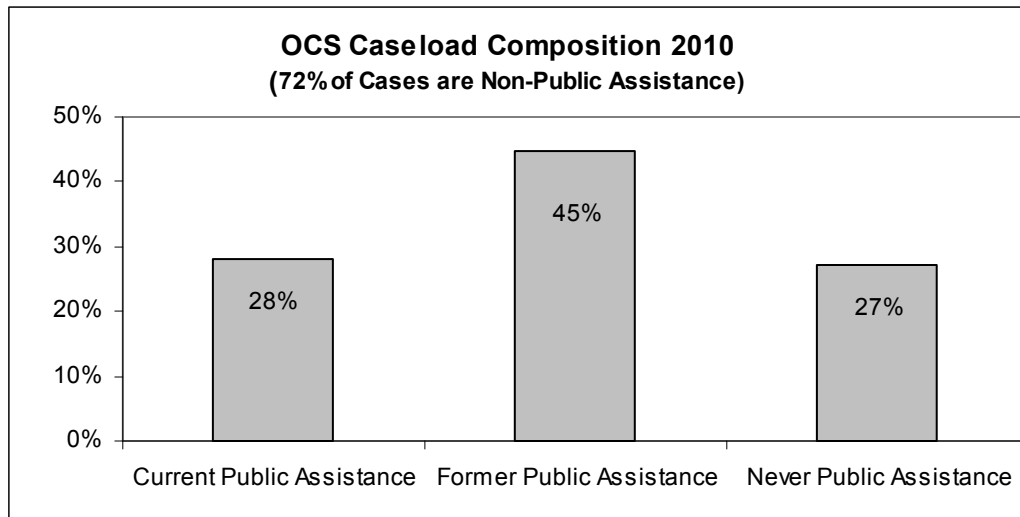
**Position Elimination.** Vermont OCS understands the budgetary issues presented to states today. However, the impact of position eliminations will likely erode our usual high level of performance and reduce the number of legal actions on behalf of our customers. This pressure is also viewed as an opportunity, as demonstrated in the section above. OCS will attempt to be creative and efficient by developing ways to prevent service impact to our customers. However, with customer needs increasing and positions decreasing, our high level of service is being compromised.

## **Accomplishments**

For many years, Vermont's Office of Child Support has ranked as one of the top 10 programs in the nation for cases with collections, far outperforming the national average. In FFY 2009, Vermont remained in the top 10, at number 9, by collecting child support on 74 percent of its cases, compared to the national average of 59 percent.

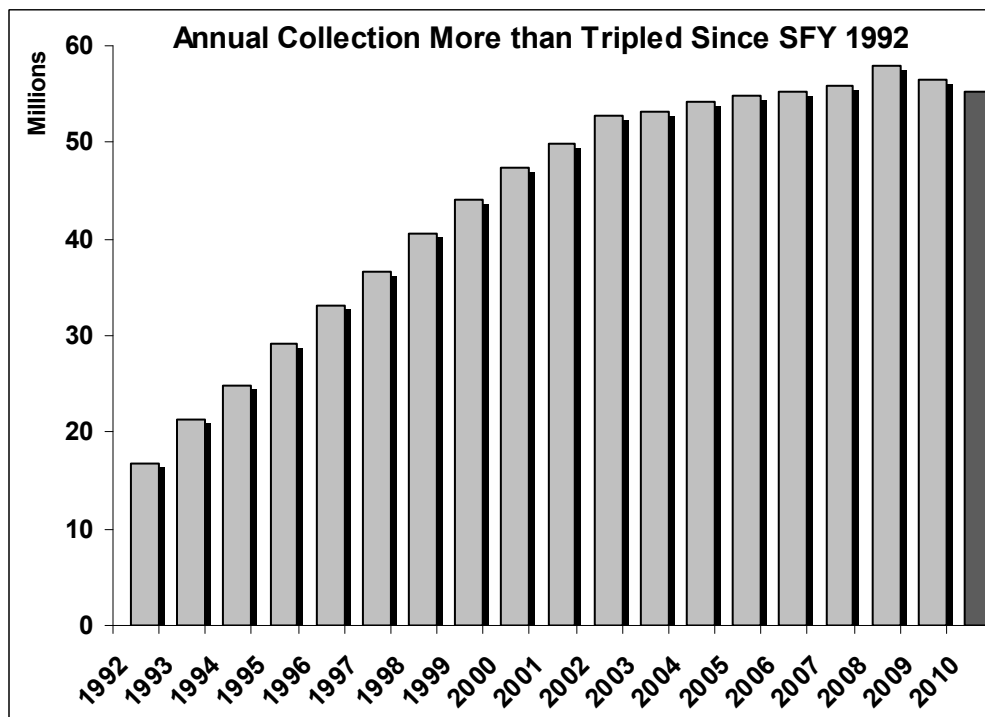
## Data

Because the majority of child support families do not receive public assistance, collecting child support during these hard economic times is critical. Child support payments often make the difference between families remaining independent and self-supporting and needing public assistance. Child support collections are viewed as cost avoidance for states in their challenge to reduce public assistance enrollment. In many cases, without child support, families would be seeking more benefits provided by various public assistance programs.



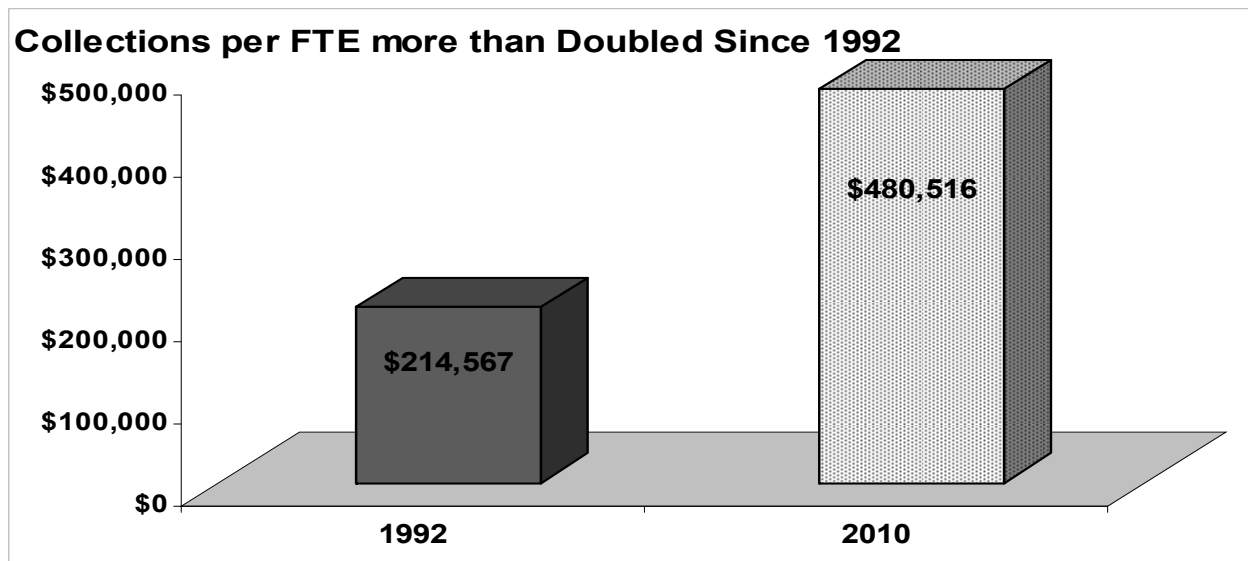
## Growth in Collections

Office of Child Support has achieved ongoing growth in collections. Annual collections have more than tripled since 1992 to \$55.2M in state fiscal year 2010. Total collections in the last 18 years are over \$839M. One time federal stimulus intercepts contributed to an increase in 2008.



### Collections per Employee

In 1992, the amount collected per employee was over \$214,000. By 2010, that amount has more than doubled to over \$480,000. Much of this growth can be attributed to prudent application of new legislation and automation. Mandatory wage withholding laws were enacted in the early 1990's and automated systems were developed, which monitor and initiate case processing actions.



# Office of Disability Determination Services (DDS)

*The Mission of the DDS is to provide applicants with accurate medical eligibility decisions as quickly as possible, as governed by Social Security federal statutes, regulations, and policy, with full and fair consideration of each applicant's situation and respect and concern for the individual's well-being and legal rights.*

The Office of Disability Determination Services (DDS) serves Vermonters who apply for disability benefits under the Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), and Medicaid programs. All funds expended by DDS to process SSDI and SSI disability claims are 100 percent federally reimbursed, including staff salaries, benefits, operating expenses, and indirect costs. While this funding comes almost entirely from the Social Security Administration, a small part of the DDS workload (4.8 percent in Federal Fiscal Year 2010) involves determining eligibility for Medicaid, currently funded through the Global Commitment Waiver.

## **Opportunities**

**Ongoing partnership with the Social Security Administration (SSA) to enhance service to Vermonters with disabilities.** The DDS works closely with the Boston Regional Social Security Office and the national Social Security Administration (SSA) to proactively address the needs of Vermonters with disabilities and provide input on national disability policy, budget and systems decisions. Currently, Vermont DDS representatives are active on the national DDS Training Advisory Committee, the Occupational Information System Development Workgroup, the National Council of Disability Determination Directors, the National Association of Disability Examiners, and as selected subject matter experts for the development of a national Disability Case Processing System.

**Collaboration with other state and community partners to improve service to applicants for disability benefits.** Examples include working with Vocational Rehabilitation, Corrections, and Economic Services to expedite SSI claim processing for pre-release Correctional clients, Reach Up consumers, and General Assistance recipients. Information sharing meetings with healthcare providers and case managers enhance the quality of disability determinations. The DDS is actively working with federally-qualified health care providers to expand the pool of consultative examination providers. The DDS also hopes to build connections with Community Action Programs, homeless shelters and other service organizations to better assist clients through the disability claim process. Enhancing public understanding and participation ultimately enables better and faster disability decisions.

**Health information technology and Social Security's electronic disability files.** The DDS is working with healthcare providers to increase electronic records transmittal for disability claims. Vermont's continuing progress in creating portable electronic healthcare records and networks will further streamline the process of obtaining medical evidence and deciding claims.

## **Pressures**

**Increasing workloads.** DDS experienced a 31 percent increase in cases in Federal Fiscal Year 2009, followed by another five percent increase in 2010, and another 17 percent in the first quarter of FFY 2011 over the same period last year. More people are filing disability claims because of the economic downturn and high unemployment, coinciding with the expected demographic impact of the baby boomers reaching their “disability-prone” years. When people with disabilities lose their jobs or are competing for jobs in a tight job market, they may find it difficult to obtain or regain employment. They may apply for SSDI/SSI out of financial need (often, dire financial need), whether or not their disabilities qualify under the federal regulations as being so severe as to prevent all work.

**Current staffing levels and mix.** Training (and retaining) sufficient numbers of experienced DDS adjudicators is essential for the accurate, prompt, and efficient processing of case decisions. Disability adjudication is a unique profession that requires two years of on-the-job mentoring in program specific medicine, psychology, and law before a new adjudicator reaches competence with initial cases. Learning to decide all types of cases (reconsiderations, continuing disability reviews, hearings, etc.) requires at least another three years. Currently, 46 percent of DDS adjudicators have less than two years experience; another 14 percent are training on reconsiderations or continuing disability reviews.

In late 2010, the DDS unexpectedly lost two of its three supervisors for its adjudicative staff. The resulting extremely high staff-to-supervisor ratio seriously limits the resources available to accomplish the necessary training, mentoring, quality assurance, and caseload monitoring. Lack of passage of the federal Social Security budget has led to a Social Security imposed hiring freeze on DDS’s across the nation. Unless Vermont’s waiver request is granted, we expect to see our staffing issues result in fewer determinations produced, backlogs in case assignment, higher caseloads, longer case processing times, and a higher percentage of our cases pending for more than 90 days.

The DDS continues to prioritize and expedite terminally ill and dire need cases as much as possible. However, the wait time is a significant hardship for many people with disabilities. At the same time, delays in continuing disability reviews mean that people who no longer qualify continue to collect benefits. Finding ways to meet service delivery and program integrity expectations with our increasing workload and current staffing situation will be a challenge.

**Rising costs to obtain sufficient medical information to decide cases.** The average medical cost per case has risen significantly in the last two years. Increasingly, applicants have not received recent medical treatment and sometimes report no treatment at all for the impairments they allege. Consequently, the DDS must purchase more consultative examinations to meet Social Security’s evidentiary requirements. Consultative exams add significantly to the cost per case and increase case processing time. Given the shortage of primary care physicians and licensed psychologists in the state, consultative exam providers often schedule appointments several months out into the future. Cases without a longitudinal healthcare record are more difficult to decide and often require not only a consultative exam, but also additional lay evidence that is very labor-intensive to obtain.

## **Accomplishments**

In Federal Fiscal Year 2010:

- Initial claim allowance rate was 44 percent; the ninth highest in the nation, helping eligible Vermonters get federal benefits quickly and at the earliest possible point in the process.
- Initial case accuracy was 97.6 percent. By federal regulation, the performance threshold for initial case accuracy is 90.6 percent.
- The Quick Disability Determination Unit processed 318 allowance determinations, averaging 7 days per claim.
- DDS achieved Social Security's targets for completion of all workloads, for processing time, and for lowering the percentage of aged cases pending.

## **Data**

	FFY 2007	FFY 2008	FFY 2009	FFY 2010	FFY 2011 (projected)
Processed Cases (SSA & Medicaid)	6,302	6,481	7,867	9,103	9,897
\$\$\$ (SSA & Medicaid)	\$3,604,079	\$3,779,486	\$4,428,598	\$5,270,533	\$5,939,454

# Office of Economic Opportunity (OEO)

*OEO seeks to increase the self-sufficiency of Vermonters and strengthen Vermont communities by providing training and technical assistance, resource identification and development, and program and grants management for community-based organizations. The Office connects communities to resources within government and the private sector to eliminate the causes and symptoms of poverty.*

Through a network of five Community Action Agencies (CAA's), the Office of Economic Opportunity supports:

- **Community Services** - OEO's Community Services work to alleviate poverty and provide crisis assistance through emergency food, shelter, and other services. In 2010, Vermont CAA's provided direct services to over 50,000 low-income Vermonters.

The Federal Emergency Management Agency (FEMA) also awards emergency food and shelter funds to Vermont through OEO, which in turn distributes these funds to approximately 25 non-profit organizations that help low-income Vermonters with emergency food and shelter needs.

- **Homelessness Services** - OEO provides multiple grants and technical support to community non-profits engaged in sheltering the homeless, preventing homelessness, and moving families and individuals into permanent housing. A combination of federal Housing and Urban Development (HUD) funding and a state General Fund appropriation provides funds to homeless shelters and other service providers to help them meet the needs of persons who are homeless or at risk of being homeless. Efforts continue to provide sufficient shelter with increased initiatives providing more emergency shelters.
- **Asset Development Programs** - The statewide Micro Business Development Program, operated through the CAA's, promotes self-employment and business opportunities for low-income Vermonters. The program includes job start loans, business planning, and technical assistance. In 2010, 86 new businesses were started and approximately 111 new full-time equivalent jobs were created by business start-ups, expansions, and enhancements.
- **Vermont Weatherization Program** – Vermont's Weatherization Program was started in 1976 in response to a national energy crisis. In the early days of the program, funding was provided solely by the US Department of Energy (USDOE). This changed in 1990 when the Vermont Legislature introduced and passed bill H.832, establishing the Vermont Weatherization Trust Fund (WTF).

The WTF provides state funding for weatherization through a one-half percent gross receipts tax on all non-transportation fuels sold in the state. The WTF stabilized the funding, infrastructure, and technical capacity of the program. It also allowed Vermont to raise the average cost per job, allowing for more comprehensive work. Current funding for weatherization in Vermont is over \$15M annually, including \$8.4M of ARRA funds. In program year 2010, 1,764 homes were weatherized.



## **Opportunities**

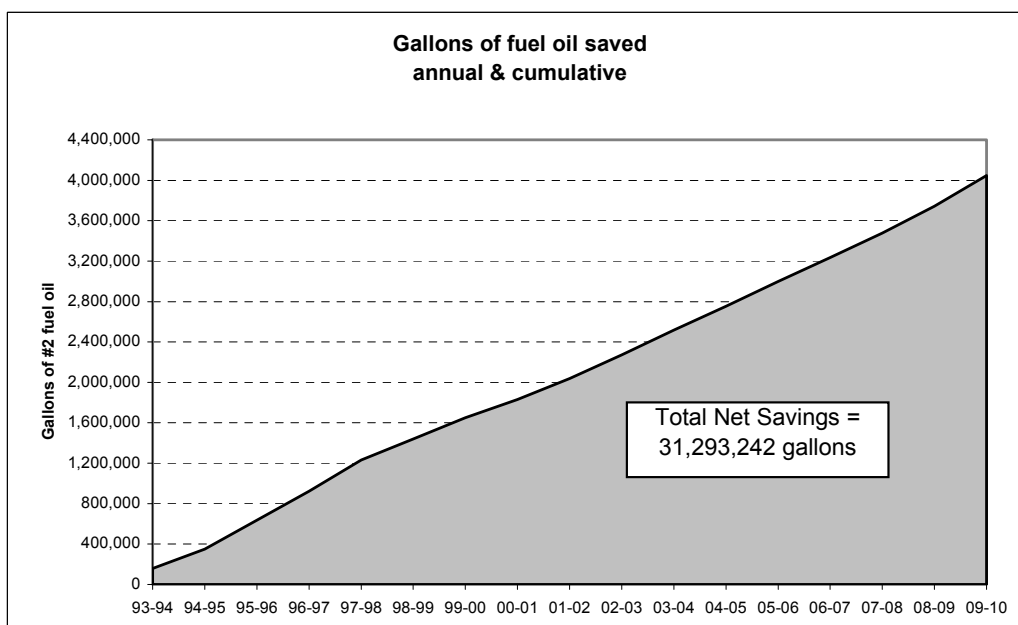
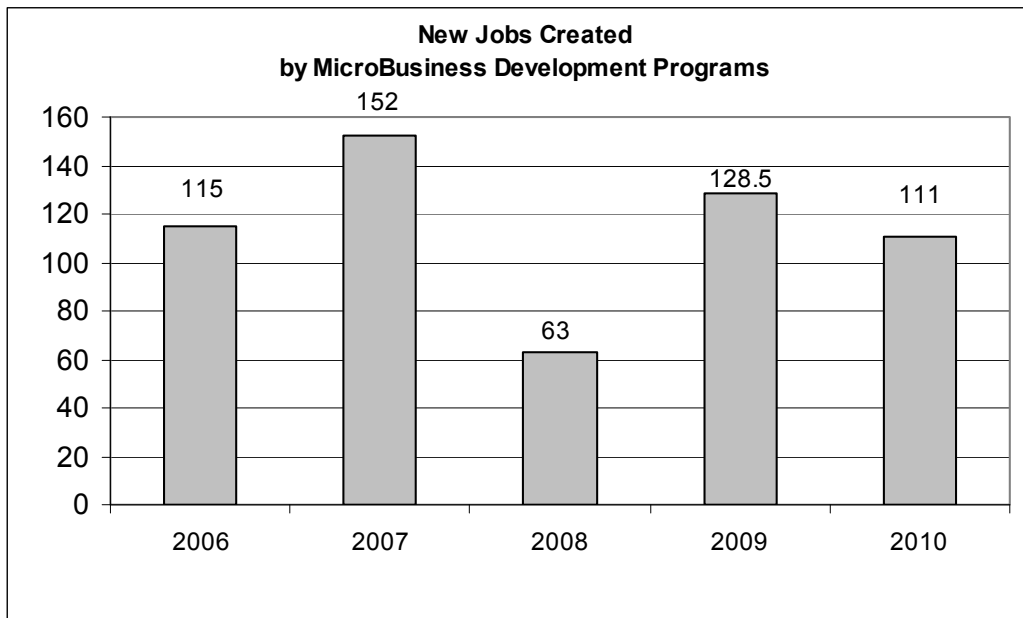
- The Office of Economic Opportunity continues to establish strong partnerships with a variety of organizations. OEO works closely with the homeless shelter network and affordable housing community to foster the creation of transitional units and the case management and supportive services needed for successful outcomes.
- In state fiscal year 2011, the Community Action Agencies, responding to a need expressed by DCF, began administering the General Assistance (GA) program on a “pilot” basis. Early reports on this initiative are promising. CAP Outreach staff often have established relationships with GA recipients and can often help them with other services that may enhance their prospect of self sufficiency in the long run. The department is exploring the benefits of moving from a pilot phase to a more permanent transition of the program.
- In response to a “call for proposals” issued by the Urban Institute, DCF/OEO submitted a grant proposal written to support an in-depth analysis of state benefits and the effect of moving individuals and families out of poverty through an alignment of those benefits with employment. We were notified in December of our status as a grant finalist and hosted a site visit by the grant review team in mid-January.
- In response to a funding announcement from the US Department of Energy, OEO wrote a grant for and received \$4.9 million dollars to provide 500 units of Solar Hot Air and 250 units of solar Hot Water to low-income Vermonters. The grant will also fund five energy coaches who will work with the low-income community on energy efficiency issues.
- The Vermont Weatherization Assistance Program continues to weatherize homes at a high rate due to the influx of federal ARRA Weatherization Dollars. While this is an opportunity, it is also a challenge as the federal ARRA dollars have created a weatherization work force that is not sustainable. ARRA funds will be exhausted in late SFY' 2011.
- In order to meet the growing demand for energy-efficient homes and make full use of additional Weatherization Recovery Act funding, OEO provides workforce development opportunities. This has expanded Vermont’s pool of qualified weatherization technicians, creating a ladder for entry-level workers to ascend towards higher-paying jobs in the evolving green economy.

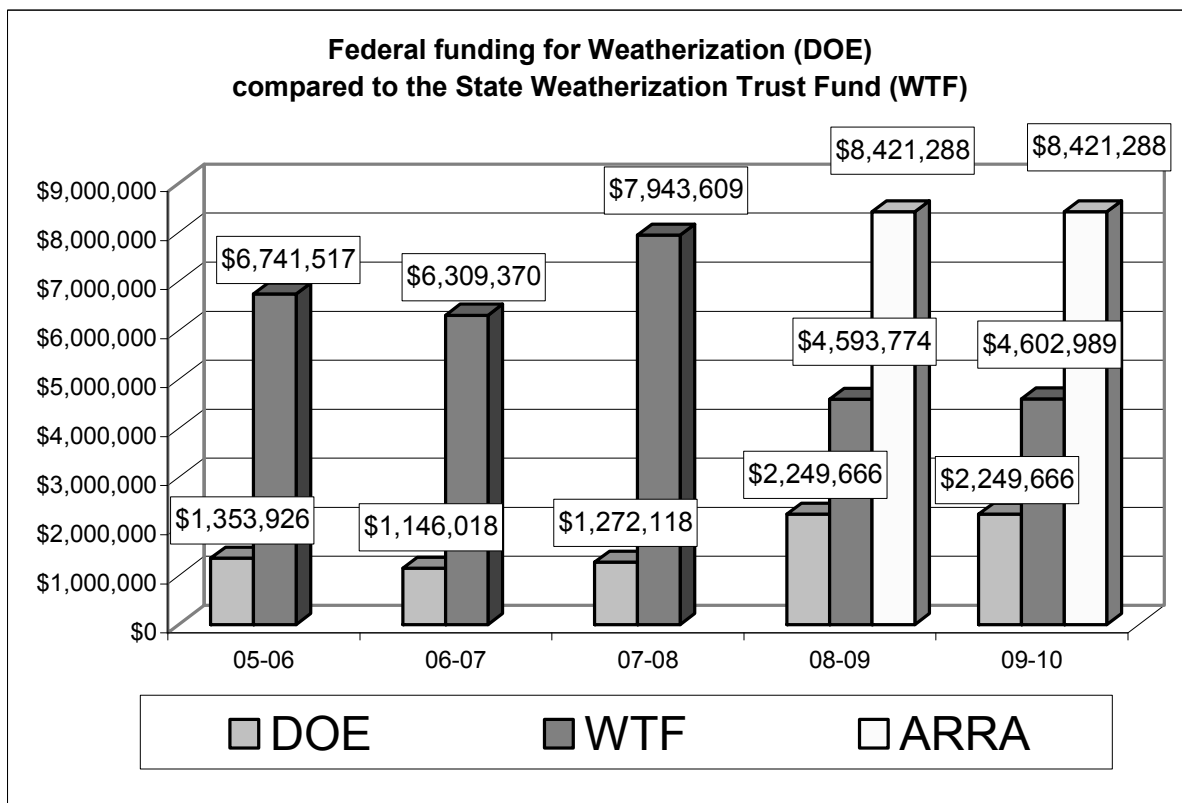
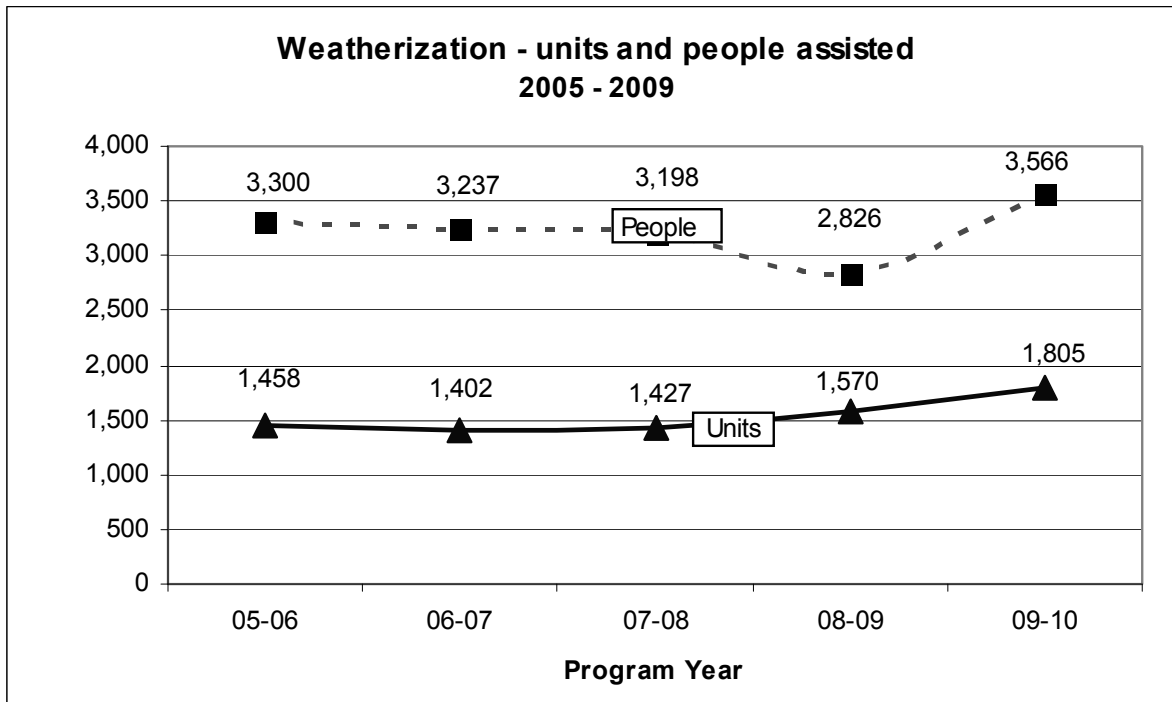
## **Pressures**

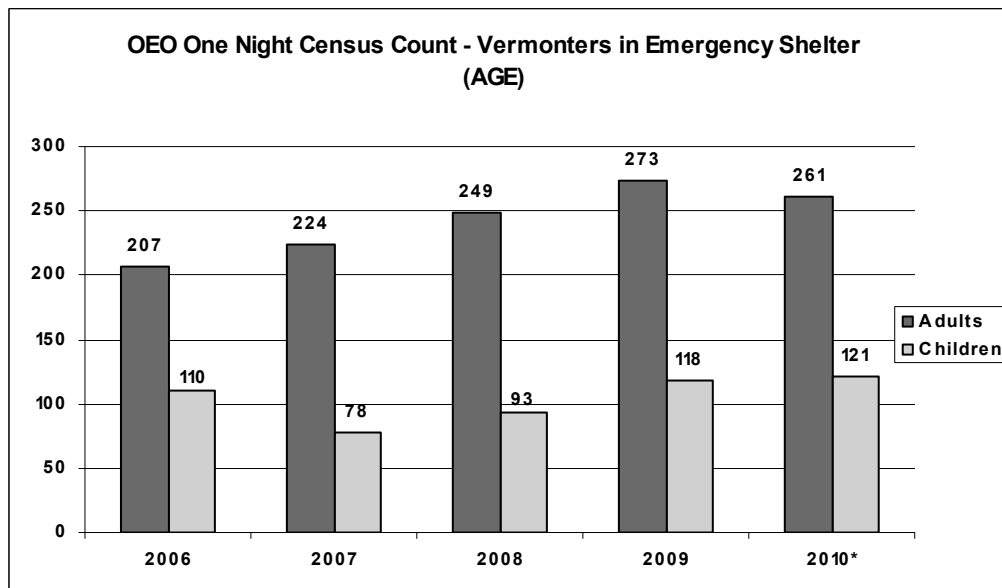
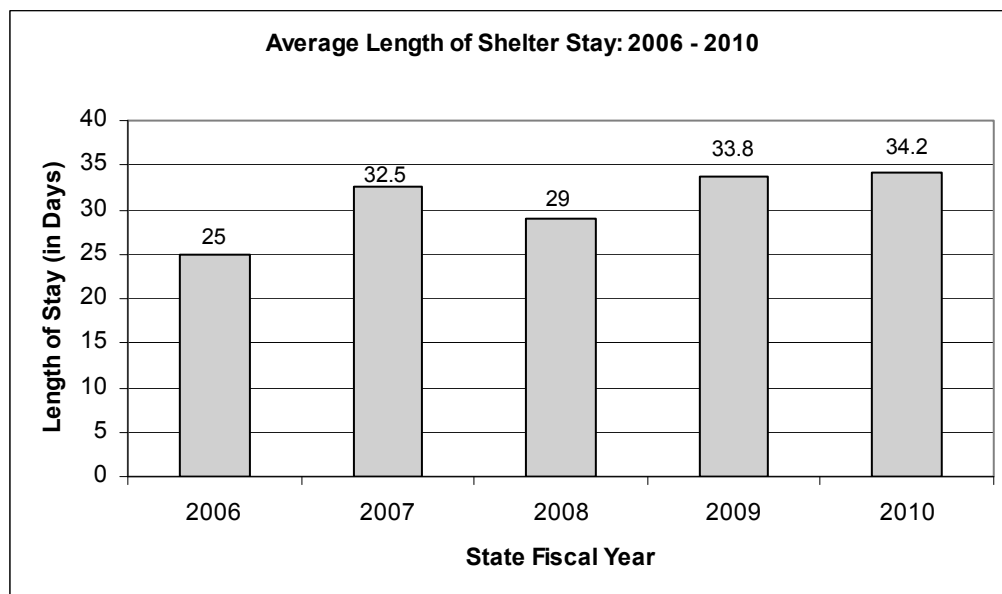
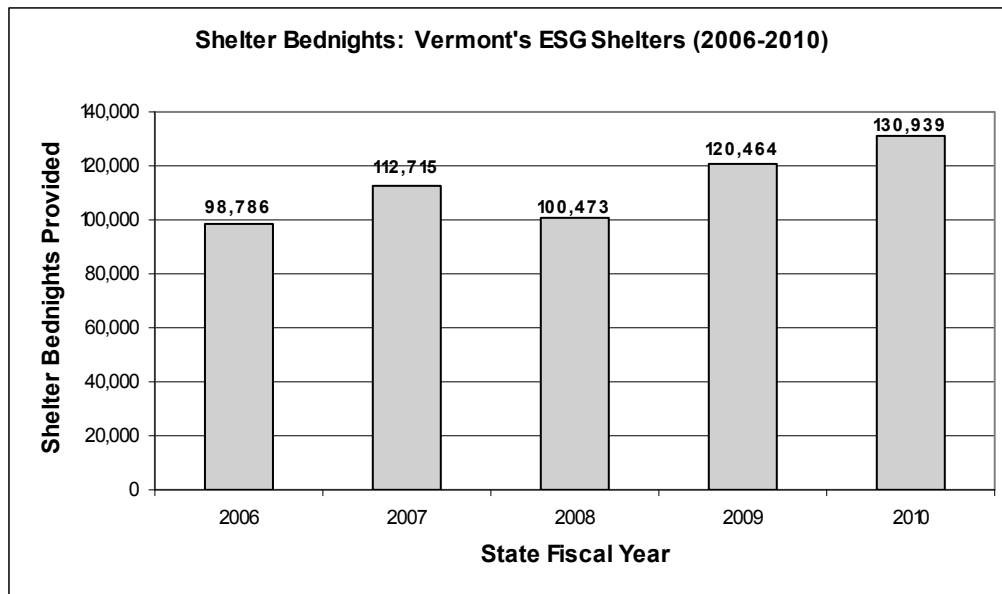
- Homelessness continues to plague many Vermonters and shelters are at capacity. Homeless shelters, Community Action Agencies, and other service providers struggle to find decent housing – at any price – for the large number of working, but homeless families. Shelter utilization, as measured by the number of bednights, is increasing. This trend is matched by a similar increase in the average length of stay. This data is an indication that families are struggling to identify the resources they need to move to permanent housing.

- Housing costs are a huge burden. Many Vermont families pay 50 to 75 percent of their monthly incomes on housing. More working Vermonters are caught in this housing “squeeze” and a shortage of housing subsidies from the Federal government exacerbates this problem and serves to lengthen the waiting list for desperate families.
- Domestic violence frequently involves an economic component. Abusers may destroy the couple’s credit; victims might suddenly find themselves without housing; and opportunities for personal development, education, and employment are often curtailed. OEO continues to work with the Vermont Network Against Domestic and Sexual Violence to assess opportunities for collaboration to address the economic impact of domestic violence.

## Data







# **Department for Children and Families**

## **Commissioner's Office**

5 North, 2nd Floor, 103 South Main Street  
Waterbury, VT 05671-5920  
(802) 241-2100

## **Child Development Division**

103 South Main Street, 2 & 3 North  
Waterbury, VT 05671-5500  
1-800-649-2642 or (802) 241-3110

## **Disability Determination Services**

93 Pilgrim Park Road, Suite 6  
Waterbury, VT 05676  
1-800-734-2463 or (802) 241-2463

## **Economic Services Division**

103 South Main Street, A Bldg.  
Waterbury, VT 05671-1201  
1-800-479-6151

## **Family Services Division**

103 South Main Street, Osgood 3  
Waterbury, VT 05671-2401  
(802) 241-2131

## **Office of Child Support**

103 South Main Street, A Bldg.  
Waterbury, VT 05671-1901  
1-800-786-3214 or (802) 241-2319

## **Office of Economic Opportunity**

103 South Main Street, Osgood 2  
Waterbury, VT 05671-1801  
(802) 241-2451

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